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## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

36

JUNE 1, 2010

SACHI A. HAMAI  
EXECUTIVE OFFICER

June 1, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**EPIDEMIOLOGY AND LABORATORY SURVEILLANCE AND RESPONSE PROJECT  
AMENDMENT NUMBER 4 WITH THE ATLAS DATABASE SOFTWARE  
CORPORATION dba ATLAS DEVELOPMENT CORPORATION - MARKETING  
AGREEMENT COUNTY CONTRACT NUMBER H-207543  
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION:      (X) APPROVE**

**SUBJECT:**

Request approval to extend an existing marketing agreement with the ATLAS Development Corporation through June 30, 2011.

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize and instruct the Director of the Department of Public Health (DPH), or his designee, to execute Amendment Number 4 (Exhibit I) to Contract Number H-207543, with the ATLAS Database Software Corporation dba ATLAS Development Corporation (ATLAS) to extend the term of the Agreement for 12 months, on a month-to-month basis from July 1, 2010 through June 30, 2011.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended action will allow DPH to amend the ATLAS Marketing Agreement to extend the term through June 30, 2011. Under Contract Number H-

207543, ATLAS currently markets the Visual Confidential Morbidity Report (vCMR) software system which accurately manages the investigation cycle of a disease or outbreak from the initial date of onset to the final resolution of a case report. ATLAS is presently under agreement with DPH to provide programming enhancements and modifications to the vCMR software system. ATLAS markets the vCMR software system for the County to other entities who have expressed an interest in using the software system.

Under this agreement, the County receives a royalty of ten (10) percent of the gross monthly generated revenue received by ATLAS from sub-licensees.

The Amendment is required to continue to allow sub-licensing of the vCMR software system to other entities while negotiations are completed between DPH and ATLAS to transfer ownership of the vCMR software system from Los Angeles County (County) to ATLAS. Transfer of ownership will help control the County's costs of continuing to maintain and support the vCMR software system by sharing software enhancement costs among a larger pool of users, as well as increase the probability that the software will be more widely utilized among public health agencies. Once negotiations are completed an agreement will be submitted for Board approval.

#### **Implementation of Strategic Plan Goals**

These actions support Goal 1, Operational Effectiveness, Goal 4 Health and Mental Health and Goal 5, Public Safety.

#### **FISCAL IMPACT/FINANCING**

The Amendment will allow the County to continue to collect royalties during negotiations according to the number of sub-licenses issued by ATLAS. Current sub-licensee entities include the State of California; the State of Wisconsin; several California counties including Monterey, Sacramento, San Diego, Stanislaus, Orange, and Yolo; and the University of California, San Diego; there is no net County cost associated with this action.

Since 2003, royalty fees have generated over \$313,992 in revenue. Future generated royalty amounts/fees are dependent on ATLAS marketing the vCMR software system to potential sub-licensees entities and cannot be determined at this time.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Board approval of the Amendment is necessary to extend the term of Contract Number H-207543, to allow ATLAS to continue to sub-license the vCMR software system. DPH will continue to act as the lead department over this system.

County Counsel has reviewed and approved the Amendment as to form. The Chief Information Office (CIO) concurs with DPH's recommendations and provides the attached CIO Analysis (Exhibit II).

### **CONTRACTING PROCESS**

On April 2, 2002, your Board approved a sole source agreement with ATLAS Marketing Agreement (County Agreement Number H-207543) to market the vCMR software system effective upon the date of Board approval through June 30, 2006.

Subsequent Board approval on June 17, 2003 allowed for the execution of Amendment 1 to County Agreement Number H-207543 which revised technical and legal issues, and on May 2, 2006, your Board approved Amendment 2 of County Agreement Number H-207543 to extend the Agreement effective July 1, 2006 through June 30, 2008.

On June 17, 2008, your Board approved Amendment 3 to County Agreement Number H-207543 to extend the term of the agreement through June 30, 2010 and to allow the redirection of royalty generated payments received under County Agreement Number H-207543 from the Department of Health Services' General Fund to DPH's General Fund.

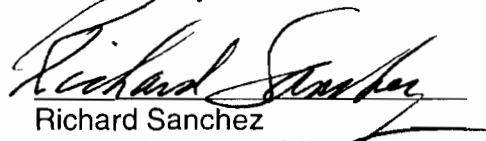
### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended action will ensure the availability and marketing of the vCMR software system and its usage by the State of California, the County, and other entities. Furthermore, the County will continue to receive royalties from ATLAS, pending submission to your Board for approval an agreement transferring ownership of the vCMR software system to ATLAS.

Respectfully submitted,

  
Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

Reviewed By:

  
Richard Sanchez  
Chief Information Officer

JEF:rdt

Attachments (2)

c: County Counsel  
Chief Executive Officer  
Executive Officer Board of Supervisors

**VISUAL CONFIDENTIALITY MORBIDITY REPORT  
MARKETING AGREEMENT**

**AMENDMENT NUMBER 4**

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2010;

by and between COUNTY OF LOS ANGELES (hereafter  
"County"),

and ATLAS DATABASE SOFTWARE  
CORPORATION DBA ATLAS  
DEVELOPMENT CORPORATION  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "VISUAL  
CONFIDENTIALITY MORBIDITY REPORT MARKETING AGREEMENT", dated April 2,  
2002, and further identified as County Agreement Number H-207543 and any  
amendments thereto (together with all exhibits, attachments thereto, all hereafter  
"Agreement"), for the provision of marketing, sub-licensing, support and enhancement  
rights County's Visual Confidentiality Morbidity Report (or vCMR) Software; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to make  
the changes described hereinafter.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall be effective upon the date of execution by an  
authorized representative of Contractor and County's Board of Supervisors' approval.

2. The first subparagraph of Paragraph 1.0, TERM, shall be amended to read as follows:

"1.0 TERM:

The term of the Agreement shall commence on April 2, 2002, and shall continue in full force and effect through June 30, 2010, and continue on a month-to-month basis not to exceed twelve (12) months effective July 1, 2010 through July 31, 2011 (in this Paragraph 1.0, each an "Option Term"), unless earlier terminated as provided in this Paragraph 1.0 or otherwise in this Agreement. Each Option Term shall automatically extend until such time as County and Contractor mutually agree to terminate this Agreement prior to the commencement of an Option Term."

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Public Health Services

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and contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

ATLAS DATABASE SOFTWARE  
CORPORATION dba ATLAS  
DEVELOPMENT CORPORATION  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM  
BY THE OFFICE OF COUNTY COUNSEL:  
ANDREA SHERIDAN ORDIN  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF PUBLIC HEALTH

By \_\_\_\_\_  
Patricia Gibson, Acting Chief  
Contracts and Grants Division

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

### **Project/Contract Description:**

The Department of Public Health (DPH) is requesting your Board to delegate authority to its Director, or his designee, to sign Amendment No. 4 to Agreement H-207543, with Atlas Database Software Corporation (Atlas), extending the current term of the existing agreement from July 1, 2010 through June 30, 2011 (on a month-to-month basis).

This will authorize Atlas to continue marketing and sub-license the Visual Confidential Morbidity Report (vCMR) system that they developed for DPH to other California counties (i.e., Monterey, Sacramento, San Diego and Stanislaus) and to the University of California, San Diego Medical Center. DPH will continue to receive ten percent (10%) of the gross monthly revenue received by Atlas during this Amendment period.

### **Background:**

vCMR is an advanced electronic epidemiology and laboratory surveillance reporting system for all communicable diseases, wholly owned by the County and marketed by Atlas. The main purpose of this system is to make disease investigation, tracking and reporting more efficient for Los Angeles County as well as when reporting data to the State Department of Public Health. vCMR accurately manages the investigative cycle of a disease or outbreak from initial date of onset to the final resolution of a case report. DPH has been successfully using vCMR to manage large volumes of incoming case reports with efficiency and accuracy.

On September 10, 1996, the Board accepted funding from the Communicable Disease Center to develop and maintain a surveillance response to infectious diseases.

On May 19, 1998, the Board approved the Agreement with Atlas to assist the DPH (then a part of the Department of Health Services) in the development of the vCMR system.

On April 2, 2002, the Board approved a no-cost sole source Agreement with Atlas for software marketing services effective April 2, 2002 through June 30, 2006.

On June 17, 2003, the Board approved Amendment No. 1 to allow Atlas to continue to sub-license vCMR to other jurisdictions if the prime contract with the County was terminated and to require sub-licenses be approved by the County Project Manager to ensure that the sub-licenses accurately described the relationship between Atlas and the sub-licensees.

On May 2, 2006, the Board approved Amendment No. 2 extending the agreement through June 30, 2008 and to incorporate the County's most current Board-mandated terms and conditions.

Amendment 3, approved by your Board on June 17, 2008, extended this Marketing Agreement through June 30, 2010 and also allowed for the redirection of royalty generated payments received under Agreement H-207543 from the Department of Health Services to DPH.



**Project Justification/Benefits:**

Approval of this Amendment will allow Atlas to continue marketing vCMR to other jurisdictions. During this extension period, DPH continues to financially benefit from collecting ten percent (10%) royalty of gross licensing revenue received by Atlas. To date, over \$313,992 in royalties have been generated.

**Project Metrics:**

Revenue received under this Agreement from royalties is a clear metric of the benefits of this marketing agreement. Another important metric is acceptance and purchase of sub-licenses of vCMR by other public health agencies

**Impact on Service Delivery or Department Operations, if Proposal Is Not Approved:**

If this Amendment is not approved, the current Agreement will terminate on June 30, 2008 with no further provisions for DPH to receive royalties for the future sale of vCMR sub-licenses by Atlas to other public health agencies and jurisdictions until a new agreement can be reached.

**Alternatives Considered:**

No other alternatives are being considered. Atlas has been successful marketed vCMR to four counties (Monterey, Sacramento, San Diego, and Stanislaus) and to the University of California, San Diego Medical Center.

**Project Risks:**

There are no identified risks to the Department or the County with this Amendment.

**Risk Mitigation Measures:**

None are required.

**Financial Analysis:**

There is no net County cost associated with this agreement extension. DPH may financially benefit from collecting ten percent (10%) royalty of future gross monthly revenue received by Atlas. To date, over \$313,992 in royalties has been generated. However, future expected income from the marketing Agreement cannot yet be determined.

**CIO Concerns:**

None.

**CIO Recommendations:**

The CIO recommends Board approval of proposed Amendment No. 4.

**CIO APPROVAL**

Date Received: April 8, 2010

Prepared by: Earl Bradley

Date: May 4, 2010

Approved: 

Date: 5/18/2010